

# **PLANNING SUBCOMMITTEE** **CHARTER**



***The Planning Subcommittee is part of the Operations Committee for the State of West Virginia's project to become a***

## ***A PERFORMANCE-DRIVEN STATE GOVERNMENT***

**Supported by  
The Pew Center on the States**



THE  
**PEW**  
CENTER ON THE STATES

Government  
Performance  
Project

***Version 1.0***

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## **Governor's Charge**

West Virginians always come together in times of need – and we always succeed. By working together, West Virginia is weathering one of the worst economic storms in our nation's history. Our little state has emerged as one of the nation's leaders in responsible and effective management of taxpayer dollars.

My administration always strives to act fiscally responsible so that during times of prosperity and times of economic challenges, our government will position the state for success. Our actions and fiscal management today should always enable tomorrow's generation of West Virginians to enjoy a high quality of life.

We have enacted many responsible policies during the past five years with the help of all branches of government, our citizens and private industry. From paying down debt to privatizing the workers compensation system, we saved West Virginians billions of dollars while improving service and preparing for the future. Businesses and Wall Street have taken notice, as more than 200 companies have located or expanded here since 2005, investing more than \$8.8 billion in our state.

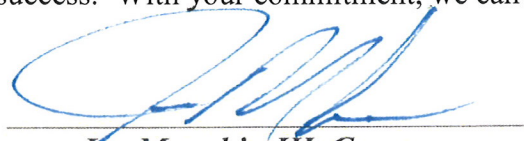
While these hurdles and successes are impressive, we can do so much more and now is the perfect opportunity to take advantage of our achievements. I want to make changes in state government that will serve as basis for success of future administrations. I believe that with the support of our employees, standing alongside the Pew Center on the States, we can transform West Virginia state government into a performance-driven organization.

A performance-driven state government is transparent and accountable. It clearly shows the results its agencies deliver to the citizens. We will ensure that West Virginians know how their taxpayer dollars are being spent and the return they receive on their investment. Spending decisions will not be based on the past year's budget, but instead on what programs support our vision for the state and show a record of success.

This is a major change in the way state government does business. But change is good – we have the results to prove it. We cannot back down from this challenge that surely will create even more positive change for our state.

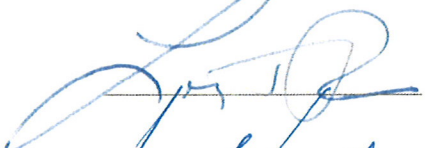
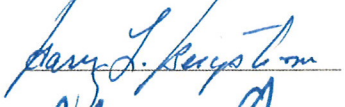
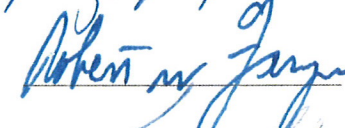
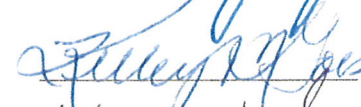
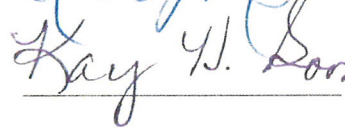
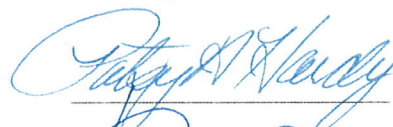
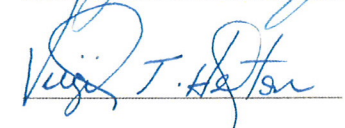
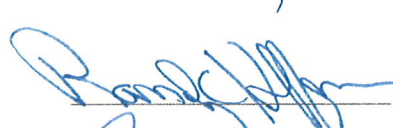
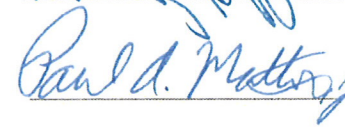
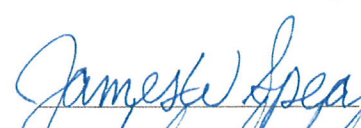
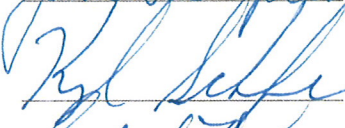
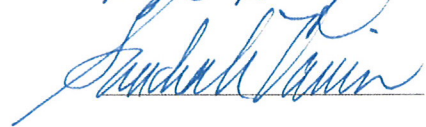
I expect you to dedicate your energy and the resources of your department to this project. I want you to lead the shift in planning and budgeting processes, and to communicate the project's intent and benefits to your employees. As a leader, you should lead your employees to think of ways your department can contribute to the project's success.

Every one of us is critical to the project's success. With your commitment, we can build a better West Virginia. Thank you.

  
*Joe Manchin III, Governor  
State of West Virginia*

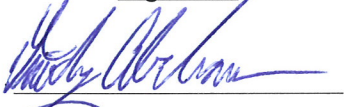
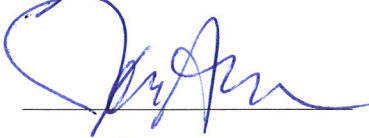
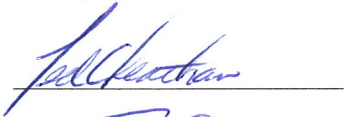
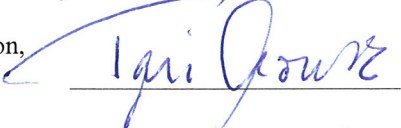
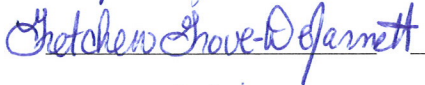
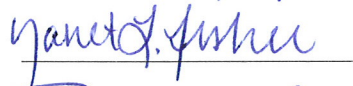
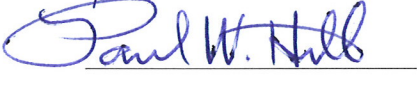
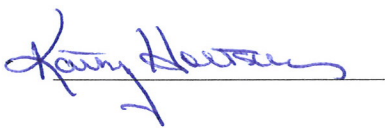
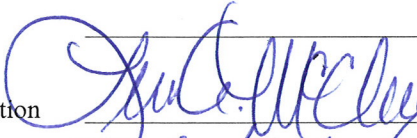
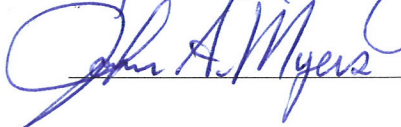
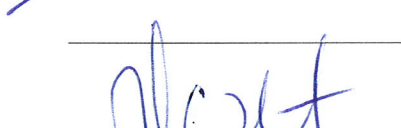
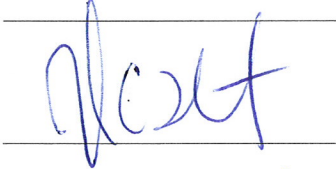


## Agreement of the Executive Committee

By signing below, I understand the purpose and content of this project charter. To that end, I support the governor's intent and will work to make state government more accountable to its citizens through an enterprise-wide and agency-level strategic planning process, performance-based budgeting, and a proactive and transparent communications process.

<u>Name</u>	<u>Title</u>	<u>Signature</u>	<u>Date</u>
Larry J. Puccio	Chief of Staff, Office of the Governor		9/10/09
Harry L. Bergstrom	Deputy Chief of Staff, Office of the Governor		9/1/09
Robert W. Ferguson, Jr.	Cabinet Secretary, Dept. of Administration		9/1/09
Kelley M. Goes	Cabinet Secretary, Dept. of Commerce		9/9/09
Kay H. Goodwin	Cabinet Secretary, Dept. of Education and the Arts		9/2/09
Patsy A. Hardy	Cabinet Secretary, Dept. of Health and Human Resources		9/1/09
Virgil T. Helton	Cabinet Secretary, Department of Revenue		9/1/09
Randy C. Huffman	Cabinet Secretary, Dept. of Environmental Protection		9/1/09
Paul A. Mattox, Jr.	Cabinet Secretary, Dept. of Transportation		9/8/09
James W. Spears	Cabinet Secretary, Dept. of Military Affairs and Public Safety		1 Sep 09
Kyle D. Schafer	Chief Technology Officer, Office of Technology		
Sandra K. Vanin	Commissioner, Bureau of Senior Services		1 Sept 09

## Agreement of the Planning Subcommittee

By signing below, I understand the purpose and content of both the project charter and the planning subcommittee charter. To that end, I support the governor's intent and will work to make state government more accountable to its citizens through an enterprise-wide and agency-level strategic planning process.

<u>Name</u>	<u>Title</u>	<u>Signature</u>	<u>Date</u>
Timothy Abraham	Executive Assistant to the Cabinet Secretary, Department of Administration		10/16/09
Jon Amores	Deputy Cabinet Secretary and General Counsel, Department of Commerce		10/16/09
Ted Cheatham	Director, Public Employees Insurance Agency		10/16/09
Tari Crouse	Assistant Director of Employee Communications and Information, Division of Personnel		10/16/09
Gretchen Grove DeJarnett	Program Coordinator, Dept. of Education and the Arts		10/16/09
Janet Fisher	Deputy Commissioner, Dept. of Agriculture		10/16/09
Paul Hill	Deputy Treasurer, State Treasurer's Office		10-16-09
Kathy Holtsclaw	Executive Assistant and Legislative Liaison, Dept. of Transportation		10-16-09
Warren Keefer	Deputy Cabinet Secretary, Dept. of Health and Human Resources		10/16/09
Lisa McClung	Deputy Cabinet Secretary, Dept. of Environmental Protection		10/16/09
John Myers	Assistant Director, Lottery Commission		10/16/09
Joe Smith	Special Assistant, Governor's Office		10/16/09
Joe Thornton	Deputy Cabinet Secretary, Dept. of Military Affairs and Public Safety		10/16/09
Sara Walker	Director, Division of Personnel		10/16/09

# **1. Purpose and Background**

## **1.1 Purpose**

To establish a new statewide planning system that, coupled with a performance-based budgeting system, will enable state government to ensure the best return on public investments, save taxpayer dollars, and deliver better services through a more transparent process.

## **1.2 Background**

A statewide strategic planning process is one component of a performance-driven system that links the governor's priorities for the state to the daily operations of state government, instilling both transparency and accountability. A performance-driven system gives citizens a clear view of how government programs are working and whether they are achieving desired results. The planning process includes the development of plans at three levels:

1. The strategic level (by the governor's office);
2. The operational level (by cabinet-level departments); and
3. The tactical level (by agencies).

The first step in the statewide strategic planning process is for the state to comprehensively look at where it wants to be several years from now and then to develop a map for how it is going to get from point A (where it is today) to point B (where it wants to be several years from today). This map is the state's statewide strategic plan. It identifies the specific long-term outcomes a state wants to achieve, the specific research-based strategies and actions needed to achieve those outcomes, and the performance indicators that will show whether those outcomes are being achieved.

Once the governor's statewide strategic plan is issued, cabinet-level departments must then create planning guidance documents that support the strategic plan and outline the goals and objectives that must be achieved by agencies within that particular department. These annual operational plans direct agencies to engage in activities that support the statewide strategic plan and require deliverables that must be met.

To complete the statewide strategic planning processes, all agencies must create tactical plans that describe in detail how the goals and objectives outlined in the cabinet-level planning guidance will be achieved. These annual plans support the planning guidance and, therefore, also align with the statewide plan.

A performance-driven system, which includes the strategic planning processes, must be able to gauge progress towards established goals through performance measures. Cynthia Eisenhauer, working with the Pew Center on the States, provides the following information on performance measures:

### Performance Measure Hierarchy

<u>Reporting Focus</u>		<u>Types of Measures</u>
Statewide Priority Area	Executive Level	Outcomes
Department-wide Performance	Department Level	Outcomes and Outputs
Day-to-day Operations	Division or Program Level	Outputs and Inputs

### Performance Measure Types

Outcome Measures: Describe the impact of state government's efforts and show if desired results are being achieved. Examples include recidivism rates or student test scores.

Outputs: The number of services, products, or activities produced or provided. Examples include permits issued, potholes filled, arrests made, cases managed, or documents processed.

Inputs: The amount of resources invested, used, or spent for services, products, or activities. It can be a physical object or dollars spent. Examples include FTE's, equipment, supplies, or hours worked.<sup>1</sup>

Engaging in the planning process from strategic level down to the operational level and then down to the tactical level ensures that all plans are aligned towards a common vision. Within state government, this means that by engaging in the planning process starting in the governor's office down through cabinet-level departments and then by agencies ensures that agency actions and decisions align and support the governor's vision for the state.

While this committee is charged with engaging state government in the strategic planning process, a performance-driven system builds on these plans by linking budget requests to agency goals, performance measures, and targets to show why specific spending requests are being made. Further steps include (1) the establishment of a performance auditing system to hold agencies accountable for progress towards goals and to review strategies, (2) the signing of performance agreements between the governor and agency heads, or (3) the provision of incentives and rewards for agencies that lower costs and improve performance. All of these various processes that are linked together help a state focus on where it wants to be several years from now and track its progress along the way in a transparent manner so citizens can know where and how effectively their money is being spent.

<sup>1</sup> The *Performance Measure Hierarchy* and *Performance Measure Types* are courtesy of Cynthia Eisenhauer, who is working with the Pew Center on the States as part of their intensive support of West Virginia's performance-driven state government project.

## **2 Deliverables**

### **2.1 Statewide Strategic Plan (Strategic Level)**

The governor will establish statewide priorities for the next four years that will include goals and quantifiable objectives accompanied by performance measures.

### **2.2 Cabinet-level Planning Guidance Documents (Operational Level)**

Each cabinet-level head will issue an annual planning guidance document that operationalizes and supports the statewide strategic plan. The document must outline measureable goals and objectives for its agencies to achieve in the coming year that will help move the state towards the common vision outlined in the strategic plan.

### **2.3 Agency Operational Plans (Tactical Level)**

Every agency will draft annual plans that outline in detail how the goals and objectives in the cabinet-level planning guidance will be met. Each plan will outline the mission, goals, strategies, and performance measures for each of the agency's programs.

### **2.4 Timeline**

<b>Date</b>	<b>Deliverable</b>
Week of Oct. 12-16, 2009	Governor holds enterprise planning meetings with cabinet secretaries and direct reports
Oct.15, 2009	Strategic planning training and related materials finalized
Week of Oct. 19-23, 2009	Statewide strategic plan formally issued
Oct. 30, 2009	Performance measures training and related materials finalized
Nov. 5, 2009	Cabinet-level planning guidances drafted
Dec. 15, 2009	All agency strategic plan outlines submitted
Jan. 15, 2010	Agency strategic plans drafted

### **3 Support from the Pew Center on the States**

Staff and senior advisors from The Pew Center on the States will provide support to both the Executive and Operations committees, including assistance in the development of the project plan and defining the roles of team and network members. During the first year of the project, Pew staff and senior advisors will also check in regularly to discuss progress and provide advice, connections to resources, and consultation.